

Falmouth Community Solar Garden

Michael Pleasant
Department of Energy Resources
100 Cambridge Street, Suite 1020
Boston, MA 02114

Re: Comments regarding Solar RPS Carve-out

Dear Mr. Pleasant,

The role of the DOER to uphold the intentions of the Green Communities Act are paramount to the success of renewable energy and the future economic success of our commonwealth. While the further expansion of solar capacity within the borders of our commonwealth will add some obligation to our investor-owned utilities, it will not be detrimental to their businesses, ratepayers or economic growth. NSTAR, National Grid and WEMCO have all cited concerns of future rate increases to their customers. The financial convenience of this rate increase (for which they could deem a tinkering tax) isn't beyond the solar developers/project owners of today. We would like to believe that their obligations won't give them financial duress.

As an example NSTAR's \$1.06 million costs in 2010 for the S-ACP rate would only represent .03% of their \$3.345 billion 2008 revenues. Selling/General/Administrative costs for the same period of \$73.27 million were 2.1% of revenues, significantly more than their obligations to providing the clean energy their consumers deserve.

By forging a market in which the suppliers (renewable energy installations) help distributors (publically-owned utilities) fulfill their renewable portfolios the DOER is transitioning us to clean, dependable, home-grown energy. Thinking in the interests of all parties this evolution is to the benefit of our entire electricity generation and delivery system. This structural change will take some time, therefore reinforcing the importance of a strong incentive system for developers/owners, but when completed some 10-15 years from now many projects will be self-funded and self-sustaining.

In the interpretation of the Falmouth Community Solar Garden, securitization would be the ability of project developers to commit ten years of a facility's RECs to one year's worth of a distributors required RECs. In this sense both sides receive the stability they need for proper procurement. The distributors can use the combined RECs of 10 years upfront whereas the facility owner can know that the RECs will be contracted for the first ten years of the project. The utility would still be able to pay over ten years but fulfill their present needs for compliance. It is our belief that this is enforceable by the DOER and will lead to the broader success of this market for ten years.

Thank you for your continued progress on this work and we look forward to seeing a market that provides real value and stability for all stakeholders.

- Michael T. Stone -

Founding Member of Falmouth Community Solar Garden
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